

**DESERT HEALTHCARE DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
February 23, 2010**

A Regular Meeting of the Board of Directors of the Desert Healthcare District was held in the Arthur H. "Red" Motley Boardroom, Palm Springs, CA

Attendance:

Members

Glen Grayman, MD - President
Kay Hazen – Vice President/Secretary
Mark Matthews - Treasurer
Sidney Rubenstein, DDS - Director
Michael Solomon, MD - Director

Staff

Lenny Pepper, Chief Executive Officer
Peter Young, Chief Operating Officer
Donna Craig, Chief Program Officer
Samantha Prior, Operations Support Manager
Tricia Wheeler, Executive Administrative Assistant

Legal Counsel

Jeffrey Scott, Esq

Guests

Shanna Hirschi, Arthritis Foundation
Cortney Weir, Arthritis Foundation
Terry Green, Coachella Economic Partnership
Ernie Rios, Coachella Economic Partnership
Chris Thompson, Coachella Economic Partnership

CALL TO ORDER

The meeting was called to order at 2:00pm by President Grayman.

APPROVAL OF AGENDA

President Grayman asked for a motion to approve the agenda.

#10-13 MOTION WAS MADE by Director Matthews and seconded by Director Solomon to approve the agenda. Motion passed unanimously.

PUBLIC COMMENT

Ms. Hirschi and Ms. Weir from the Arthritis Foundation presented the Board "The Commitment to Care Award 2009".

CONSENT AGENDA

Submitted for approval:

1. Board Minutes
 - a. Regular meeting-January 26, 2010
 - b. Special meeting January 29, 2010
2. District January 2010 financial statements.

#10-14 MOTION WAS MADE by Director Rubenstein and seconded by Director Matthews to approve the Consent Agenda. President Grayman modified the motion, noting a correction to the January 26, 2010 meeting minutes was required. Modification of the motion was accepted and reads: Approve the Consent Agenda item 1a and item 2. Motion passed unanimously.

#10-15 MOTION WAS MADE by Director Rubenstein and seconded by Director Matthews to approve the January 26, 2010 meeting minutes with the following correction: *#10-09 MOTION WAS MADE by Director Rubenstein and seconded by Director Solomon to approve Grant #524 in the amount of \$122,231 for San Gorgonio Memorial Hospital to support the expansion of the Behavioral Health Center. Dr. Grayman recused himself from the discussion and vote so as to avoid any appearance of conflict of interest. Motion passed with a 4-0 vote. Motion passed unanimously.*

PRESIDENT'S REPORT

President Grayman reported on the various activities and functions he attended during the past month, including conversations with District constituents and health organizations.

Discussion ensued regarding holding Board meetings at various locations throughout the District. The Board expressed this would be a good idea. Additionally, it was noted that when this occurs, outreach to community members should take place to encourage attendance at the meeting.

The Board directed Mr. Pepper to explore possible venues and report to the Board at the March 2010 meeting.

Discussion ensued regarding the use of the Board Room video conferencing system. President Grayman requested Staff create a policy regarding the use of this medium for consultants, contractors, vendors, grantees, members of the public, etc. to be able to attend the meeting without having to be physically present at Board or Committee meetings. This policy is to be presented to the Finance and Administration Committee for consideration.

DIRECTORS' REPORTS AND COMMENTS

Director Rubenstein reported on various activities and meetings he attended during the past month, including conversations with District constituents and health organizations.

Director Hazen reported she had given a presentation to the Palm Springs Rotary on obesity. This presentation is available on the District's website.

Dr. Solomon suggested the Board Agenda include time for the sharing of ideas, updates on strategic plan ideas in the pipeline, etc. It was determined that this type of discussion can occur

under the Directors' Reports and Comments; if an issue arises that requires Board action, the discussion must be tabled until the next meeting of the Board so that the issue can be placed on the Agenda for such action. Additionally, it was noted that should a Director have a particular issue they would like to address, especially if it may require Board action, that the issue be placed on the Agenda.

DRMC GOVERNING BOARD DIRECTORS' COMMENTS

Director Rubenstein reported that DRMC continues to monitor their patient safety policies. The Quality Council Report has shown that quality has improved dramatically. While admissions and net income are down, some individual areas are performing well and Administration is managing the assets well by cutting costs while managing quality of care. The 2East remodel is expected to be completed by the end of 2010, a partial Operating Room remodel has been approved by OSHPD and the La Quinta Imaging Center is expected to be completed by June 2010.

Director Hazen requested clarification regarding the announcement of Dr. Axelrod as a member of the DRMC Governing Board. The announcement stated Dr. Axelrod would now be running the hospital; this announcement has been retracted and corrected to indicate Dr. Axelrod has no such position. The person from LifeStream responsible for the incorrect press release been fired.

Director Hazen then requested Dr. Rubenstein investigate how many Governing Board Members are contracted with DRMC.

COMMITTEE REPORTS

1. Finance Committee – Director Matthews

Director Matthews stated the agenda and meeting minutes and packet of the February 09, 2010 were enclosed for review.

The COO/Las Palmas Medical Plaza reports were reviewed as provided in the Board Packet.

Director Matthews reviewed the revised 2.1 Tenet prepaid lease amortization schedule as presented in the packet.

Director Matthews presented the proposal from WWCOT for the LPMP Roof Inspection as recommended by the Committee for Board consideration.

#10-16 MOTION WAS MADE by Director Matthews and seconded by Director Hazen to approve the proposal from WWCOT for the LPMP Roof Inspection, costs not to exceed \$5,000, contingent upon staff clarification regarding item 1.1.3. Motion passed unanimously.

Ms. Craig informed the Board that Blood Systems has proposed to contribute \$160,000 over 5 years to the Pathways to the Success Scholarship Program (\$50,000 per year for scholarships, \$2,000 per year for administrative costs). This proposal is in response to District Grant #167 (closed), made to Community Blood Bank for computer hardware that is no longer in use since

their acquisition by Blood Systems. Blood Systems is contributing these dollars in a good faith gesture, recognizing that tax payer dollars provided a benefit that is no longer being utilized.

2. Program Committee – Director Rubenstein

Director Rubenstein stated the agenda and meeting minutes of February 09, 2010, the Grant Administration Reports, and Grantee Quarterly Reports were enclosed for review.

Director Rubenstein presented grant requests recommended by the Program Committee for approval:

1. Grant # 154 - A no- cost grant extension from the City of Cathedral City for the purpose of reporting.

#10-17 MOTION WAS MADE by Director Rubenstein and seconded by Director Solomon to approve the no cost grant extension for the City of Cathedral City, Grant #154. Motion passed unanimously.

2. Grant #536 - request in the amount of \$600,000 from the Coachella Valley Economic Partnership (CVEP) to support 5-year funding for the Pathways to Success Scholarship Program. (\$120,000 per year - \$100,000 for scholarships and \$20,000 for administration of the scholarships.)

Director Hazen informed the Board that as the CVEP Economic Blueprint is completed, she is no longer volunteering her expertise to that organization. Therefore, she will resume discussion and voting on matters pertaining to CVEP.

Director Hazen informed the Board that Pathways to Success has requested her assistance in their negotiations with College Access Foundation. The Board stated they support Director's Hazen's involvement.

#09-62 MOTION WAS MADE by Director Rubenstein and seconded by Director Solomon to approve Grant #536, request in the amount of \$600,000 from CVEP for 5-year funding for the Pathways to Success Scholarship Program. Motion was modified: The first year is approved as presented, approval for years 2-5 is contingent upon the College Access Foundation committing to matching dollars over the same time period. Motion passed unanimously.

Director Rubenstein asked the Board for their feedback regarding the open Program Committee seat. Staff, working with Legal Counsel, was directed to draft a policy regarding the process of filling a vacant seat, for approval by the Committee and the Board in March 2010. Once approved, Staff will solicit members. Staff was also directed to draft a policy regarding the removal of member, for approved by the Committee and Board.

STRATEGIC PLAN UPDATE

Ms. Wheeler updated the Board on the status of the follow-up items from the January 29, 2010 Strategic Planning Meeting, including timelines for completion.

Staff will provide the Board with an update to the Strategic Plan work plan at the March 23, 2010 Board of Director's meeting.

CHIEF EXECUTIVE OFFICER'S REPORT

Mr. Pepper reviewed his report as provided in the Board Packet.

ADJOURNMENT

The meeting was adjourned at 3:44p.m.

ATTEST: _____

Kay Hazen, Vice President/Secretary
Desert Healthcare District Board of Directors

Minutes respectfully submitted by Tricia Wheeler, Executive Administrative Assistant